

July 5, 2023

Michael Barber
Green Mountain Care Board
144 State Street
Montpelier, VT 05602

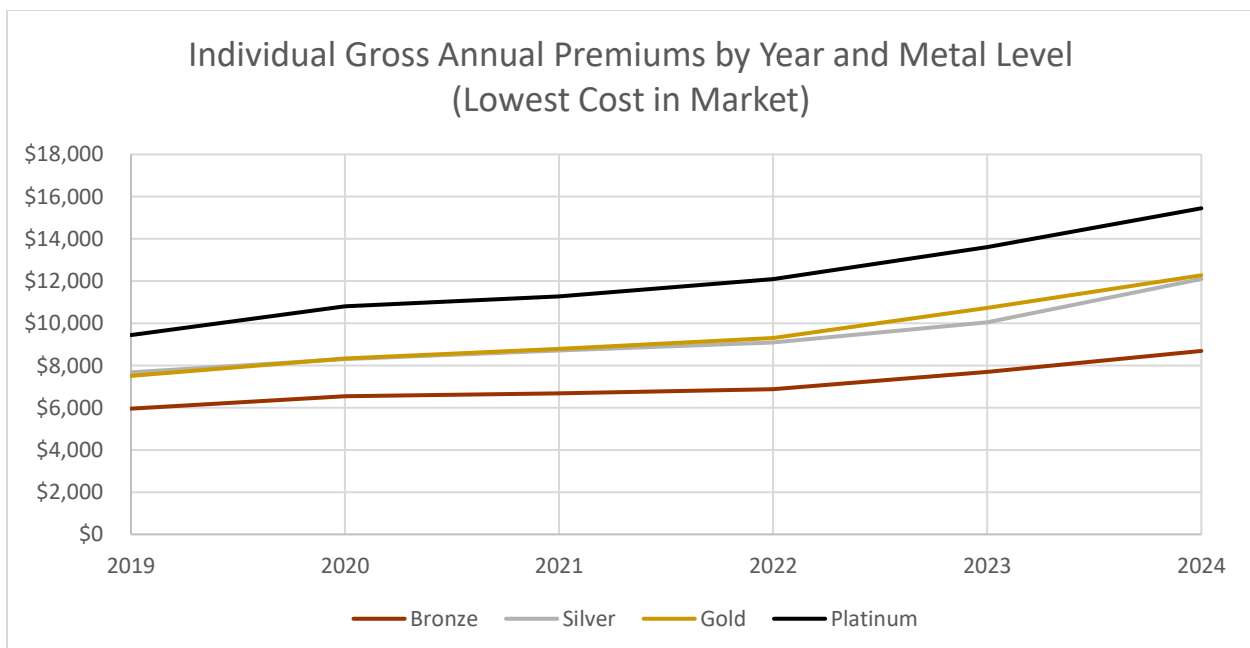
Re: June 15, 2023 Information Request
Blue Cross and Blue Shield of Vermont Individual and Small Group Rate Filings

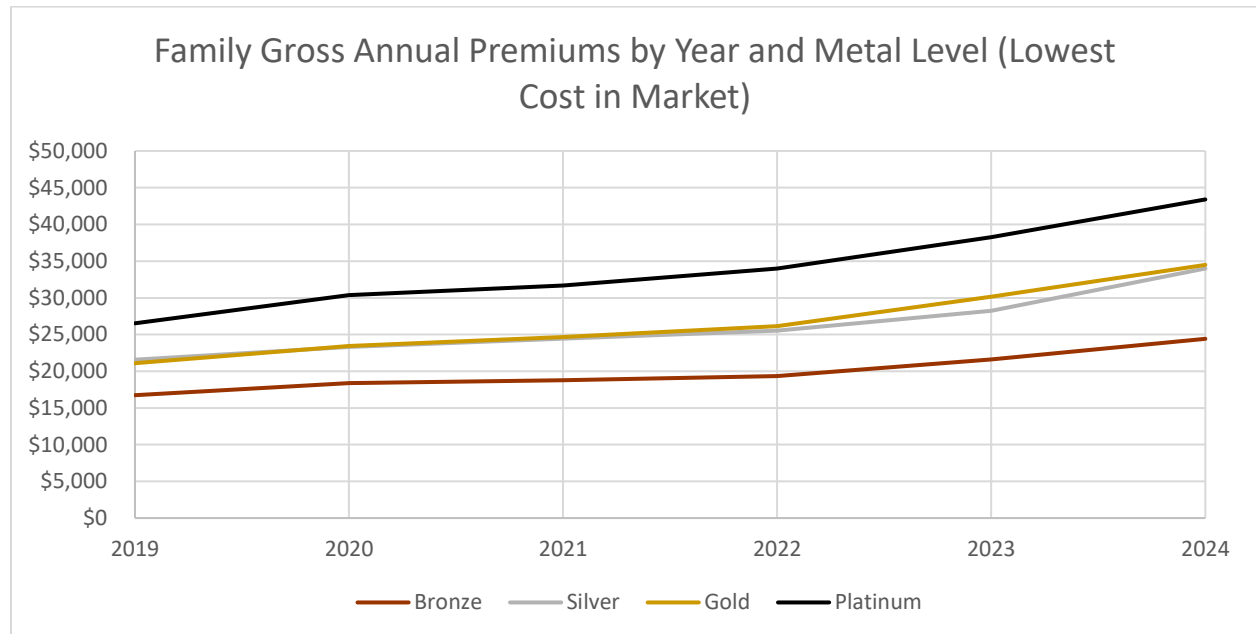
The purpose of this letter is to provide a response to your request for certain information regarding the above-referenced outstanding filings. Please see below for your questions and our responses.

In particular, the Board requested:

- Changes in the unsubsidized single and family premiums for the lowest cost plan offered by BCBSVT at each metal level in the individual market from 2019 through 2024 (assuming BCBSVT's premiums are approved as filed).*

See below for the requested information, both in graphical and tabular format.





Year	Individual Premiums			
	Bronze	Silver	Gold	Platinum
2019	\$5,957	\$7,678	\$7,507	\$9,442
2020	\$6,545	\$8,295	\$8,335	\$10,802
2021	\$6,685	\$8,705	\$8,781	\$11,280
2022	\$6,877	\$9,090	\$9,305	\$12,094
2023	\$7,689	\$10,049	\$10,728	\$13,615
2024	\$8,689	\$12,099	\$12,273	\$15,447

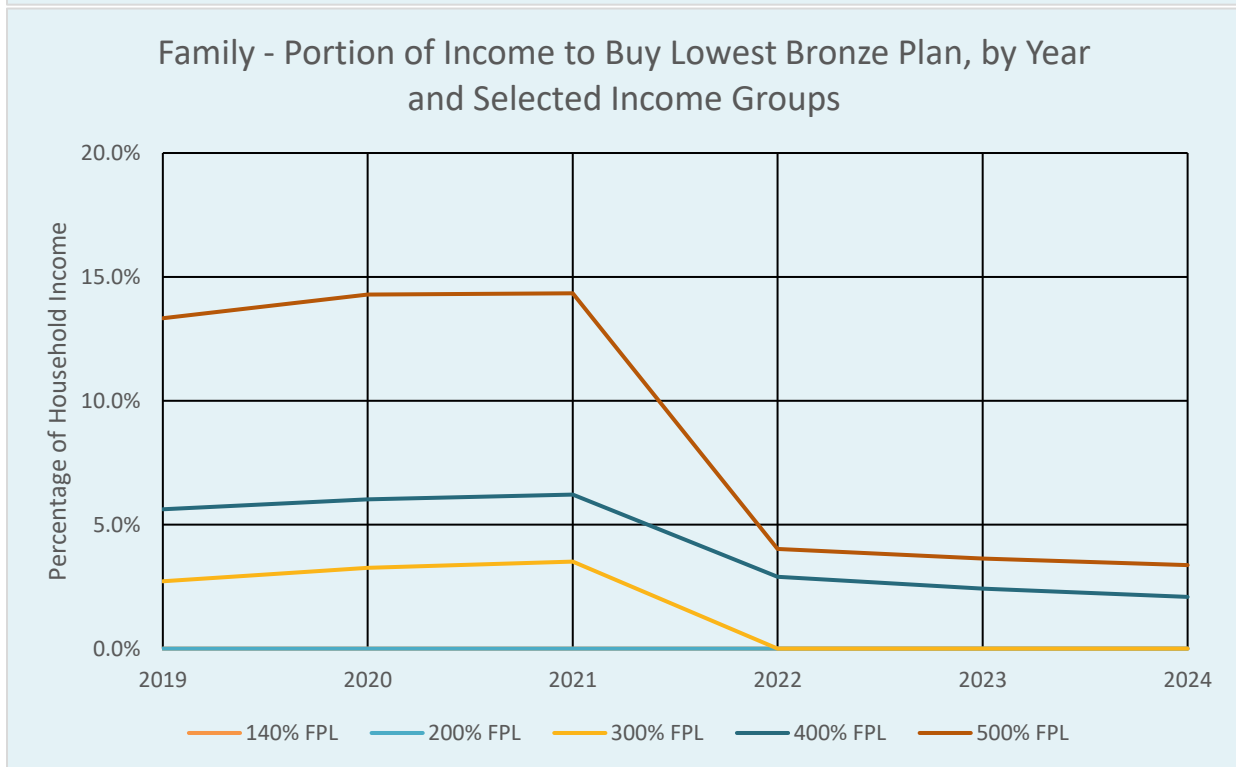
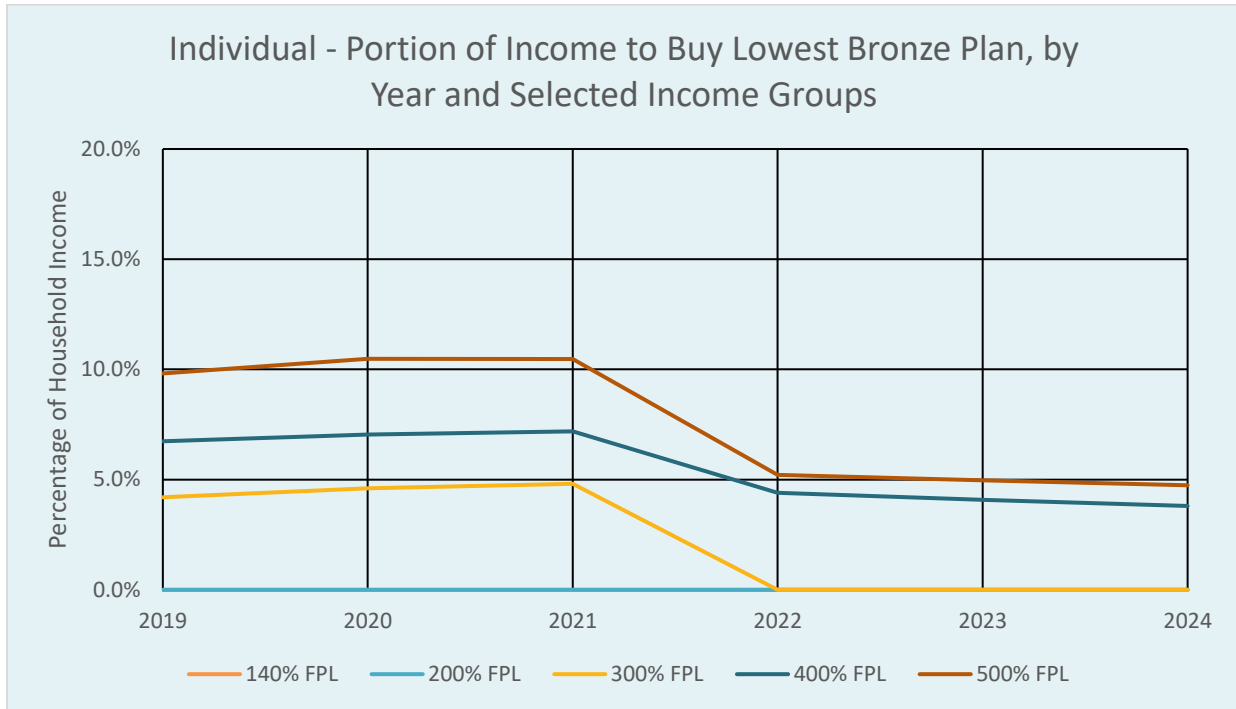
Year	Family Premiums			
	Bronze	Silver	Gold	Platinum
2019	\$16,738	\$21,574	\$21,096	\$26,533
2020	\$18,392	\$23,310	\$23,422	\$30,352
2021	\$18,784	\$24,461	\$24,675	\$31,696
2022	\$19,325	\$25,542	\$26,147	\$33,985
2023	\$21,607	\$28,236	\$30,146	\$38,257
2024	\$24,417	\$33,998	\$34,488	\$43,406

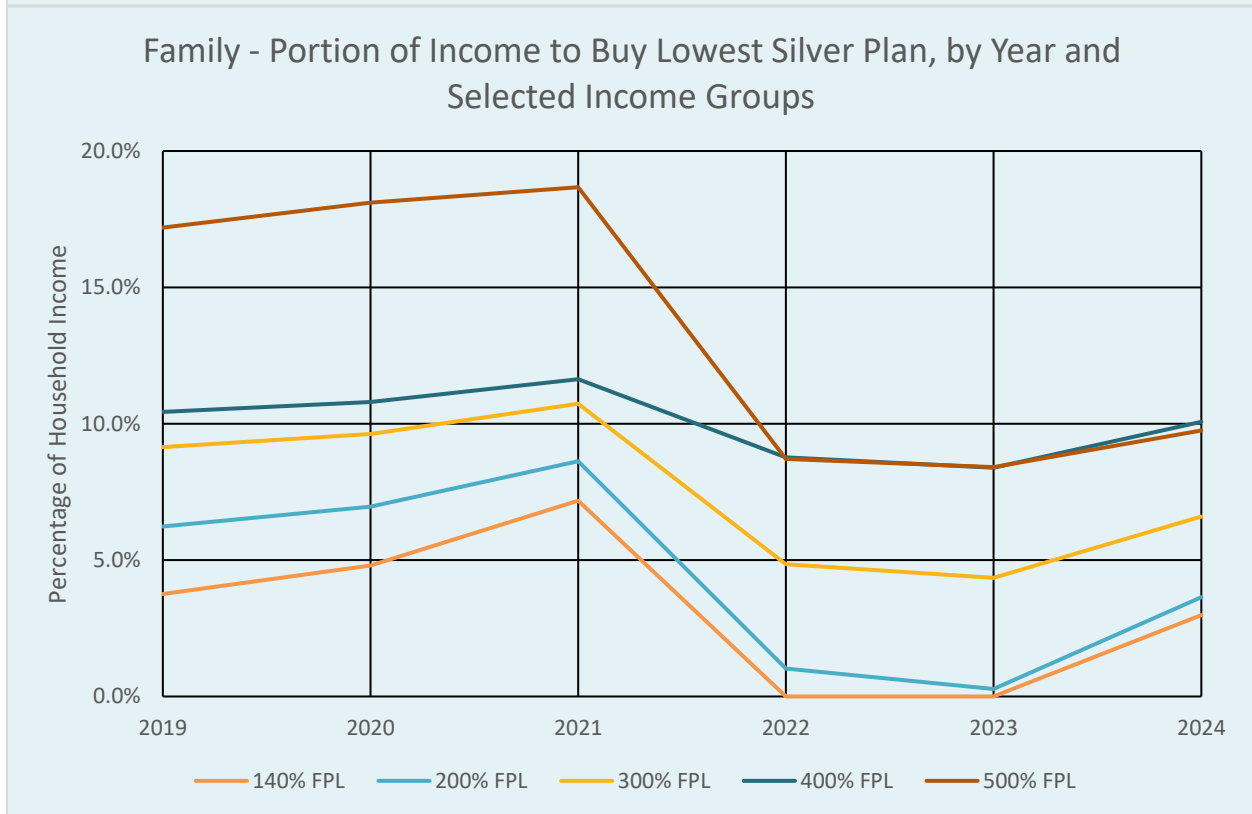
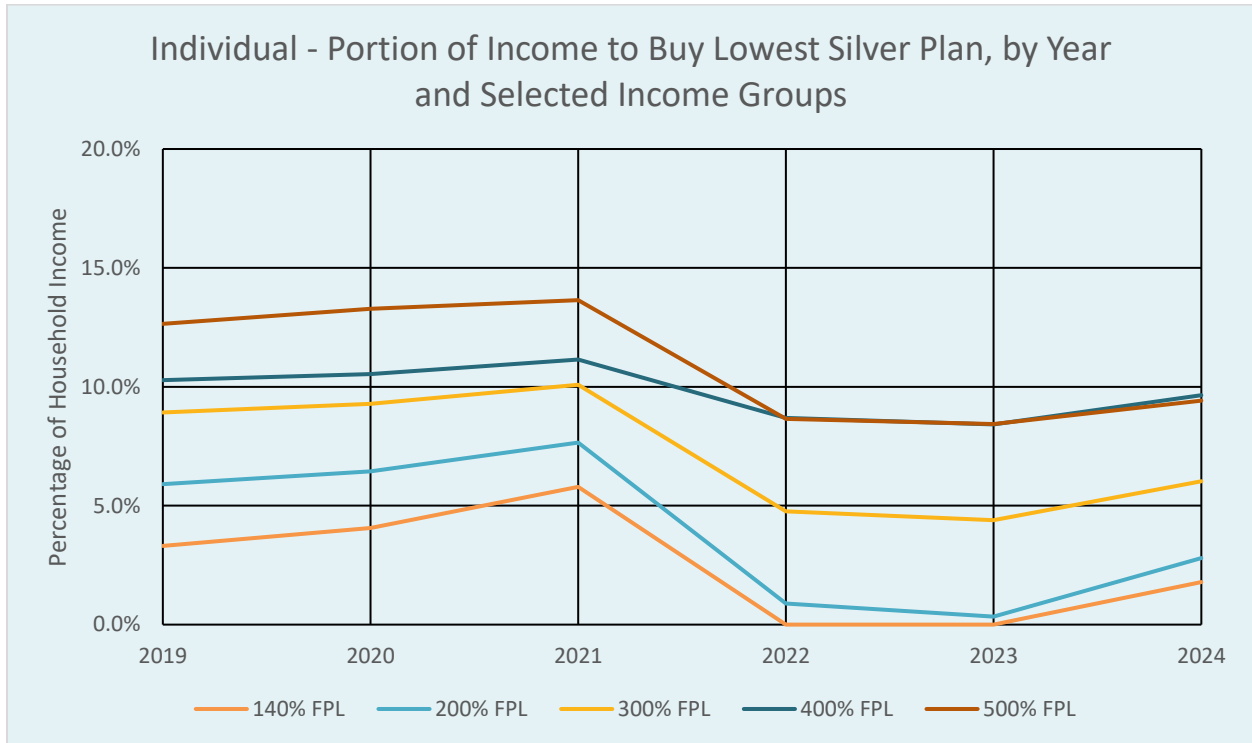
2. *For an individual and a family of four with household incomes equal to 140%, 200%, 300%, 400%, and 500% of the federal poverty level, the percentage of household income required to purchase the lowest cost plan offered by BCBSVT at each metal level in the individual market from 2019 through 2024 (assuming both carriers' filings are approved as submitted).*

Please see below. Note that the Affordable Care Act assigns member premiums based on the federal poverty levels from the year before the year of coverage. The true federal poverty limit for 2024 is not yet known. We have interpreted your request as being consistent with the ACA's usage of the FPL.

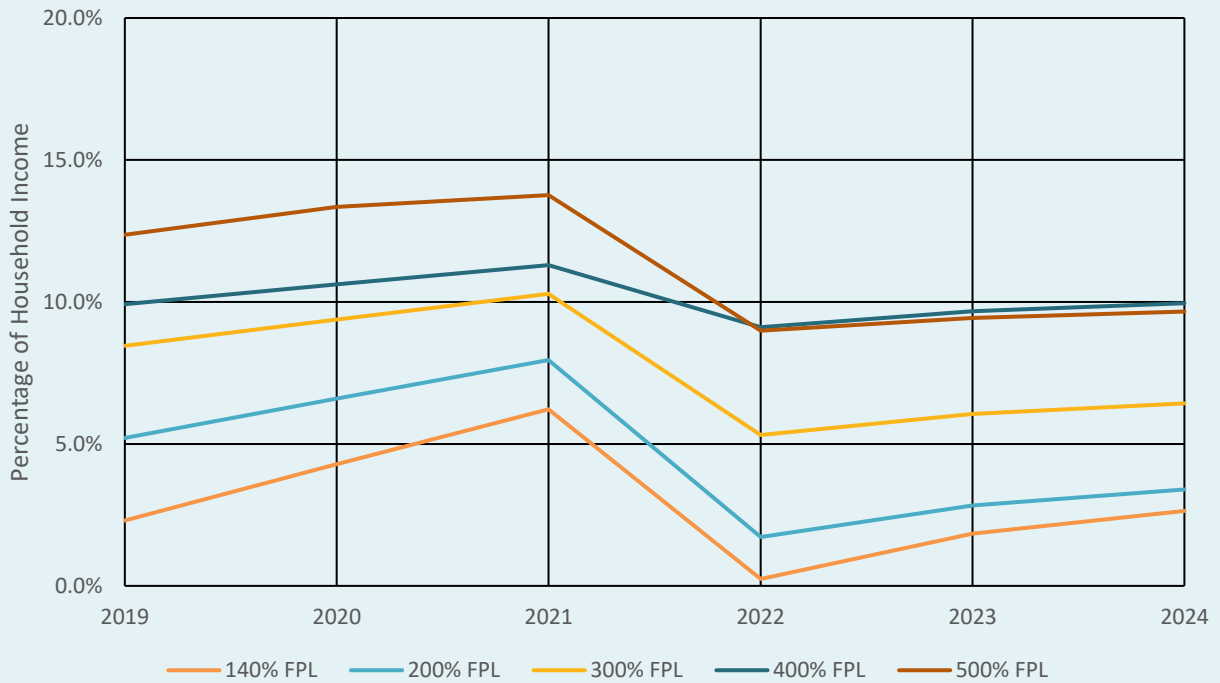
Additionally, we note that you requested to also see this information regarding median Vermont incomes. According to Census.gov, the 2021 median household income in the state was \$67,674¹. For a single-person household, this income is approximately 530% of the Federal Poverty Limit. For a family of four, it is about 258% of the Federal Poverty Limit. Because the federal poverty limit, ACA subsidies, and individual market premiums are highly dependent on family size, we are not sure that median household income, across households of various sizes, is a meaningful concept in this context. However, a household with this income would follow roughly the "500% FPL" line in the Individual graphs, and lie about halfway between "200% FPL" and "300% FPL" in the Family graphs.

¹ <https://www.census.gov/quickfacts/fact/table/VT/INC110221#INC110221>

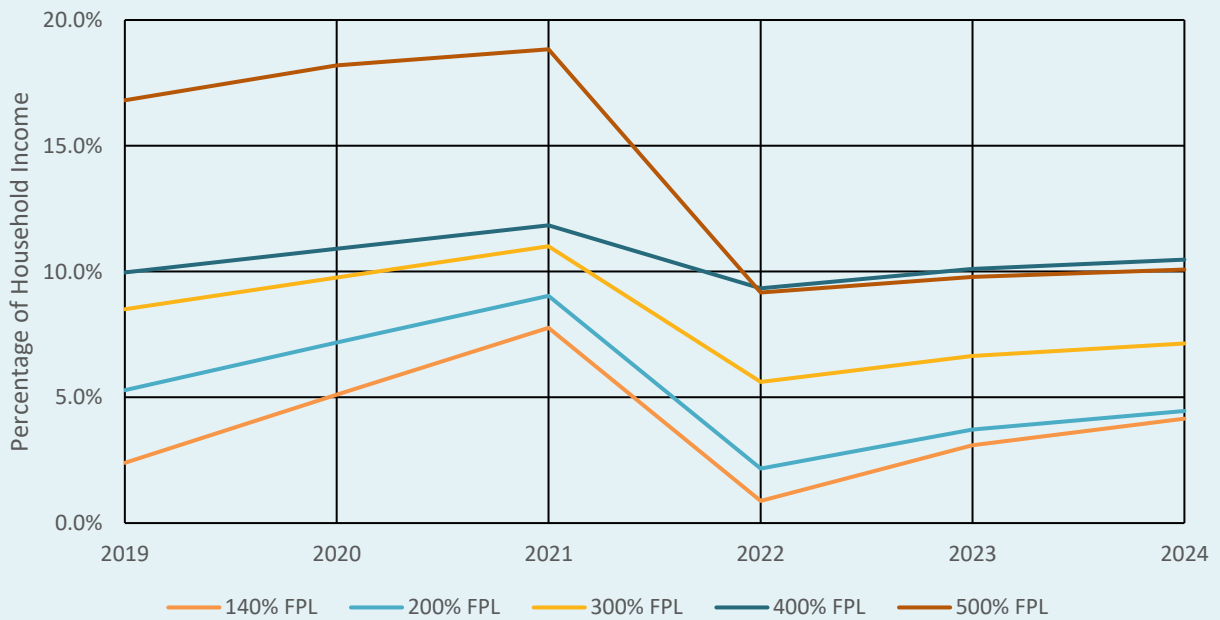


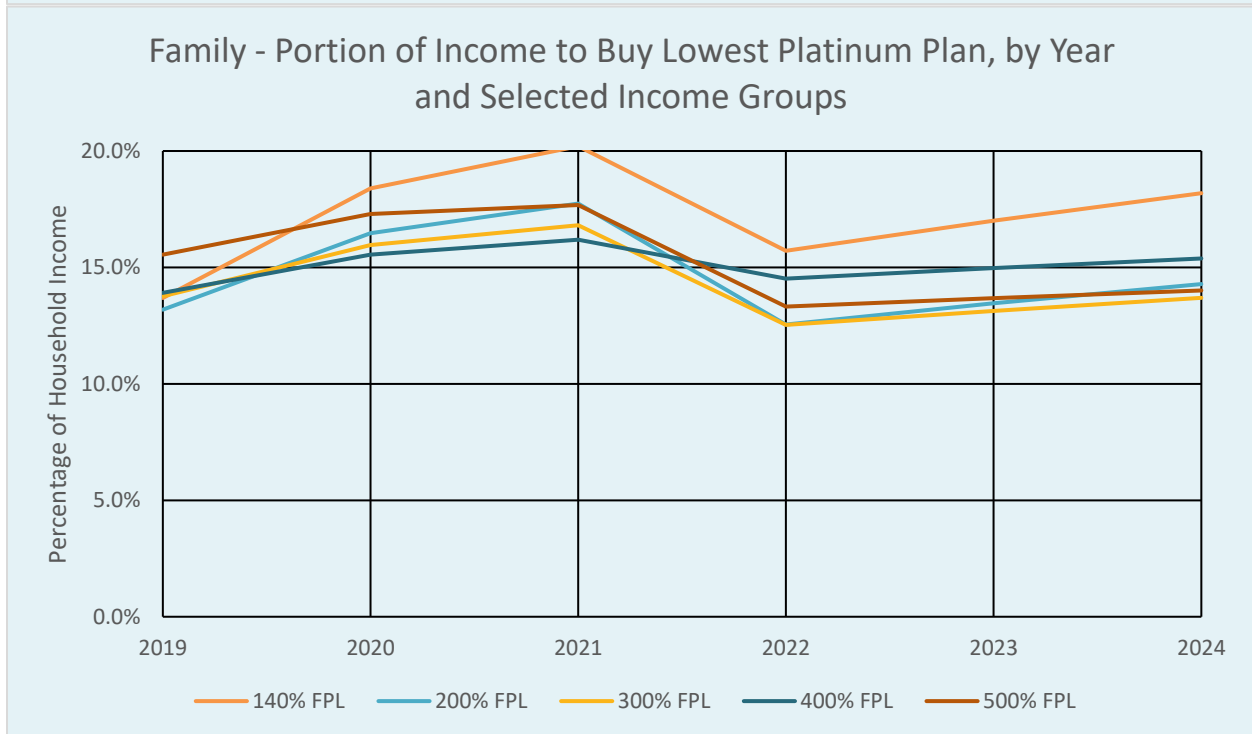
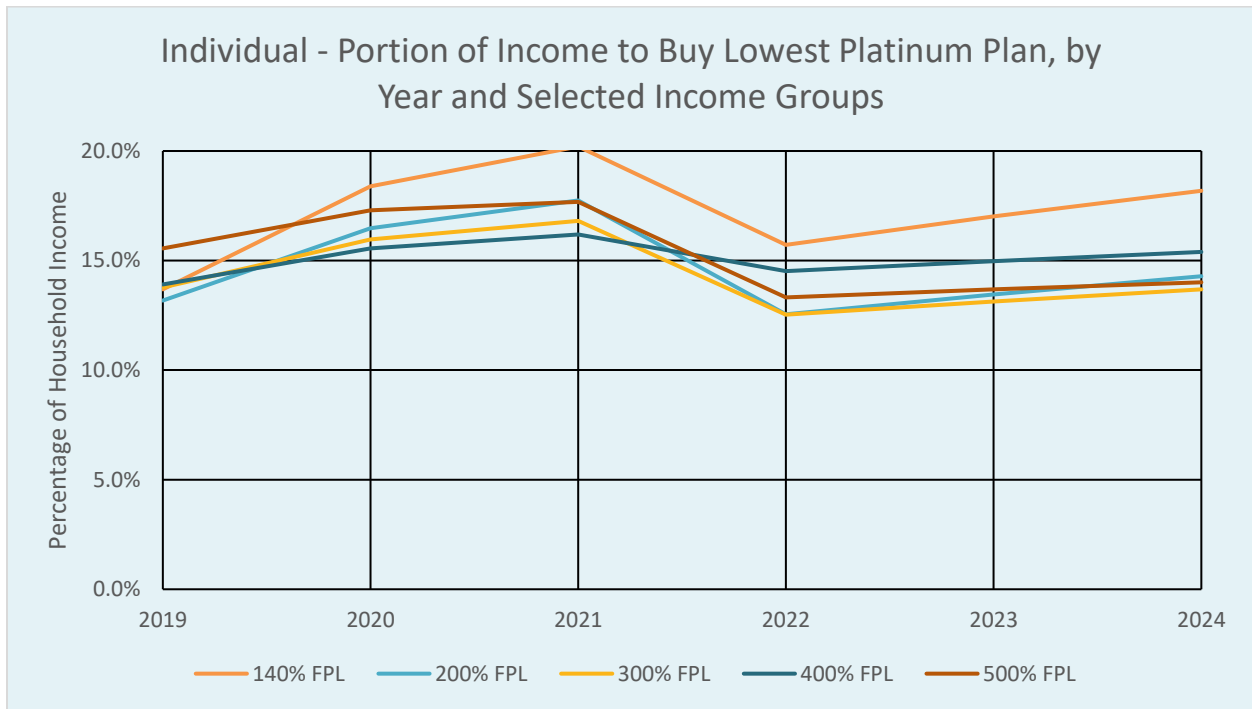


Individual - Portion of Income to Buy Lowest Gold Plan, by Year and Selected Income Groups



Family - Portion of Income to Buy Lowest Gold Plan, by Year and Selected Income Groups



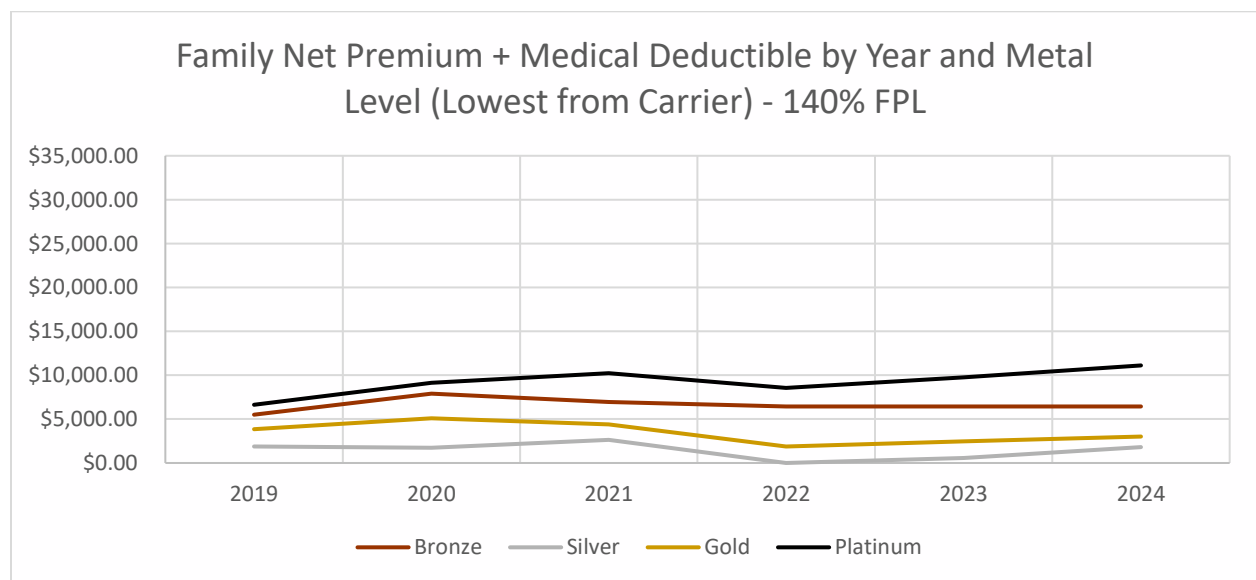
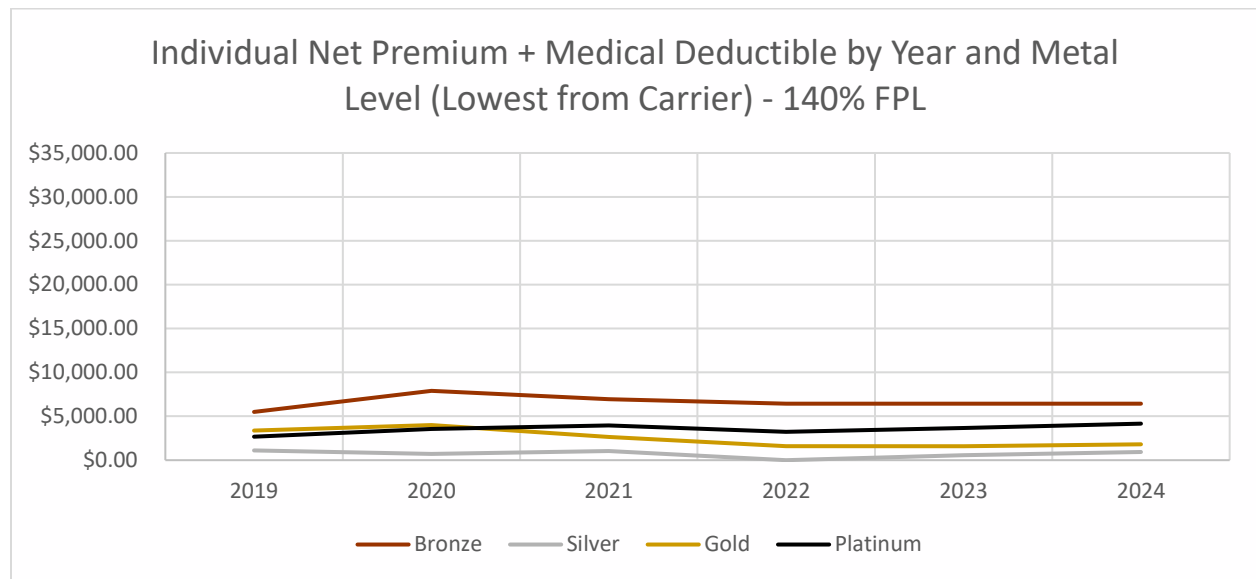


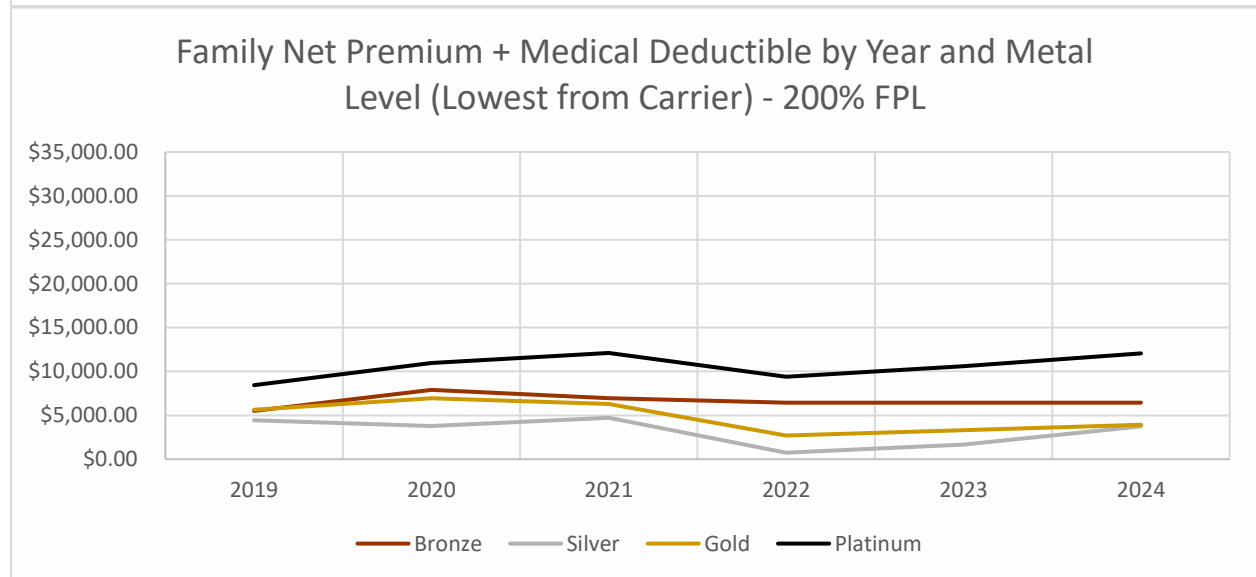
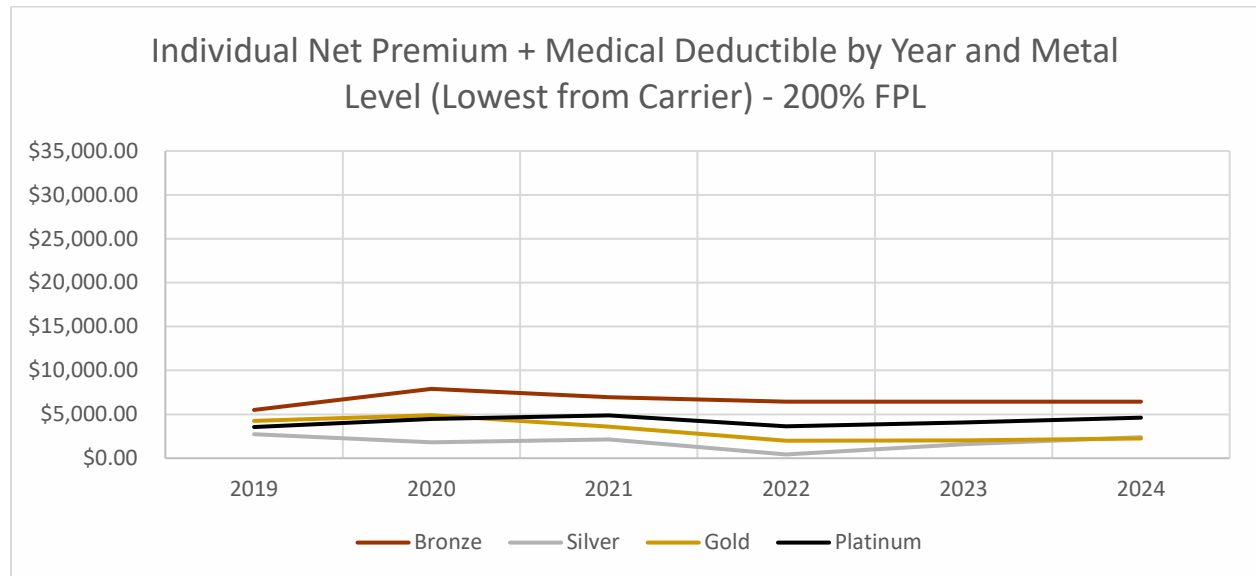
Metal Tier	Year	Individual Income Level				
		140% FPL	200% FPL	300% FPL	400% FPL	500% FPL
Bronze	2019	0.0%	0.0%	4.2%	6.7%	9.8%
Bronze	2020	0.0%	0.0%	4.6%	7.0%	10.5%
Bronze	2021	0.0%	0.0%	4.8%	7.2%	10.5%
Bronze	2022	0.0%	0.0%	0.0%	4.4%	5.2%
Bronze	2023	0.0%	0.0%	0.0%	4.1%	5.0%
Bronze	2024	0.0%	0.0%	0.0%	3.8%	4.7%
Silver	2019	3.3%	5.9%	8.9%	10.3%	12.6%
Silver	2020	4.1%	6.4%	9.3%	10.5%	13.3%
Silver	2021	5.8%	7.7%	10.1%	11.1%	13.6%
Silver	2022	0.0%	0.9%	4.8%	8.7%	8.7%
Silver	2023	0.0%	0.3%	4.4%	8.4%	8.4%
Silver	2024	1.8%	2.8%	6.0%	9.7%	9.4%
Gold	2019	2.3%	5.2%	8.5%	9.9%	12.4%
Gold	2020	4.3%	6.6%	9.4%	10.6%	13.3%
Gold	2021	6.2%	8.0%	10.3%	11.3%	13.8%
Gold	2022	0.2%	1.7%	5.3%	9.1%	9.0%
Gold	2023	1.8%	2.8%	6.1%	9.7%	9.4%
Gold	2024	2.6%	3.4%	6.4%	9.9%	9.7%
Platinum	2019	13.7%	13.2%	13.8%	13.9%	15.6%
Platinum	2020	18.4%	16.5%	16.0%	15.6%	17.3%
Platinum	2021	20.2%	17.7%	16.8%	16.2%	17.7%
Platinum	2022	15.7%	12.5%	12.5%	14.5%	13.3%
Platinum	2023	17.0%	13.5%	13.1%	15.0%	13.7%
Platinum	2024	18.2%	14.3%	13.7%	15.4%	14.0%

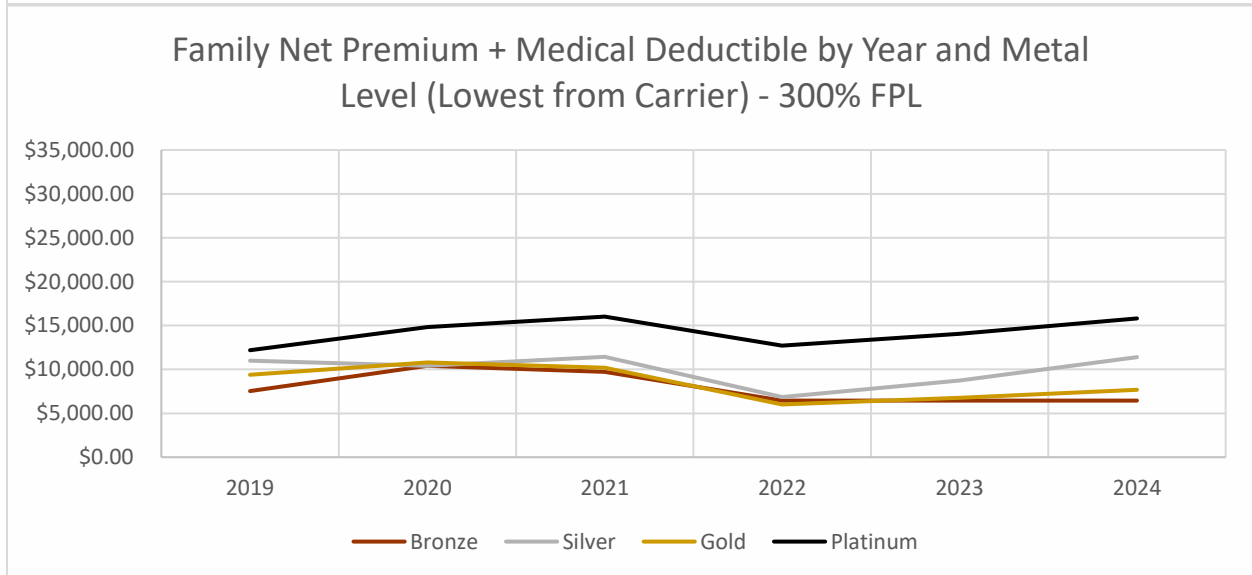
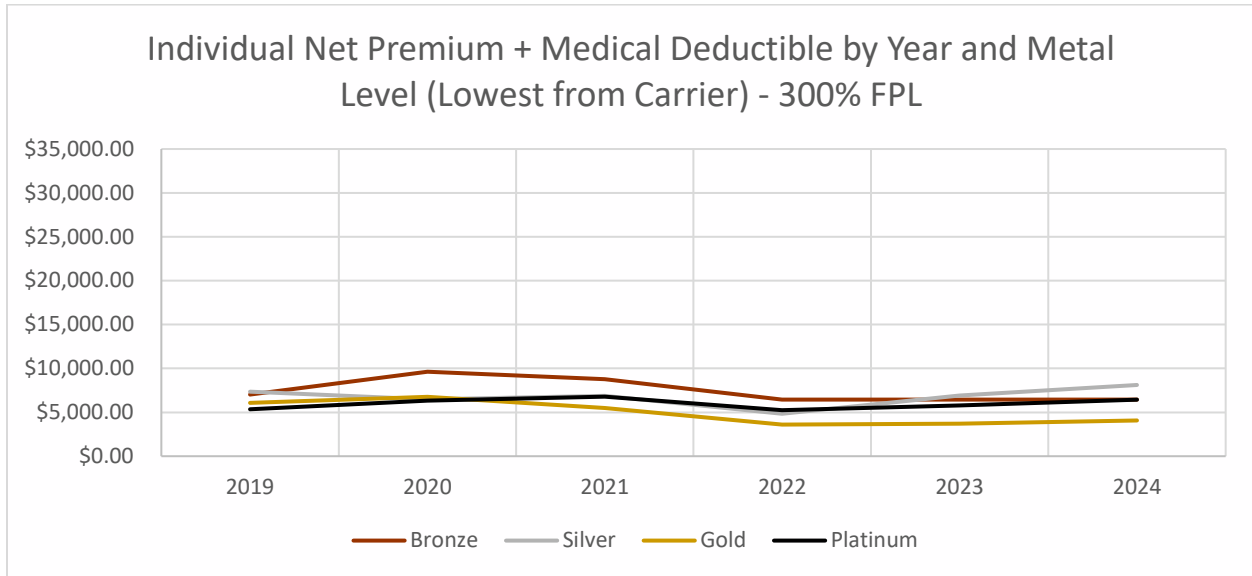
Metal Tier	Year	Family Income Level				
		140% FPL	200% FPL	300% FPL	400% FPL	500% FPL
Bronze	2019	0.0%	0.0%	2.7%	5.6%	13.3%
Bronze	2020	0.0%	0.0%	3.3%	6.0%	14.3%
Bronze	2021	0.0%	0.0%	3.5%	6.2%	14.3%
Bronze	2022	0.0%	0.0%	0.0%	2.9%	4.0%
Bronze	2023	0.0%	0.0%	0.0%	2.4%	3.6%
Bronze	2024	0.0%	0.0%	0.0%	2.1%	3.4%
Silver	2019	3.8%	6.2%	9.1%	10.4%	17.2%
Silver	2020	4.8%	7.0%	9.6%	10.8%	18.1%
Silver	2021	7.2%	8.6%	10.7%	11.6%	18.7%
Silver	2022	0.0%	1.0%	4.8%	8.8%	8.7%
Silver	2023	0.0%	0.3%	4.4%	8.4%	8.4%
Silver	2024	3.0%	3.6%	6.6%	10.1%	9.8%
Gold	2019	2.4%	5.3%	8.5%	10.0%	16.8%
Gold	2020	5.1%	7.2%	9.8%	10.9%	18.2%
Gold	2021	7.8%	9.0%	11.0%	11.8%	18.8%
Gold	2022	0.9%	2.2%	5.6%	9.3%	9.2%
Gold	2023	3.1%	3.7%	6.6%	10.1%	9.8%
Gold	2024	4.2%	4.5%	7.1%	10.5%	10.1%
Platinum	2019	13.7%	13.2%	13.8%	13.9%	15.6%
Platinum	2020	18.4%	16.5%	16.0%	15.6%	17.3%
Platinum	2021	20.2%	17.7%	16.8%	16.2%	17.7%
Platinum	2022	15.7%	12.5%	12.5%	14.5%	13.3%
Platinum	2023	17.0%	13.5%	13.1%	15.0%	13.7%
Platinum	2024	18.2%	14.3%	13.7%	15.4%	14.0%

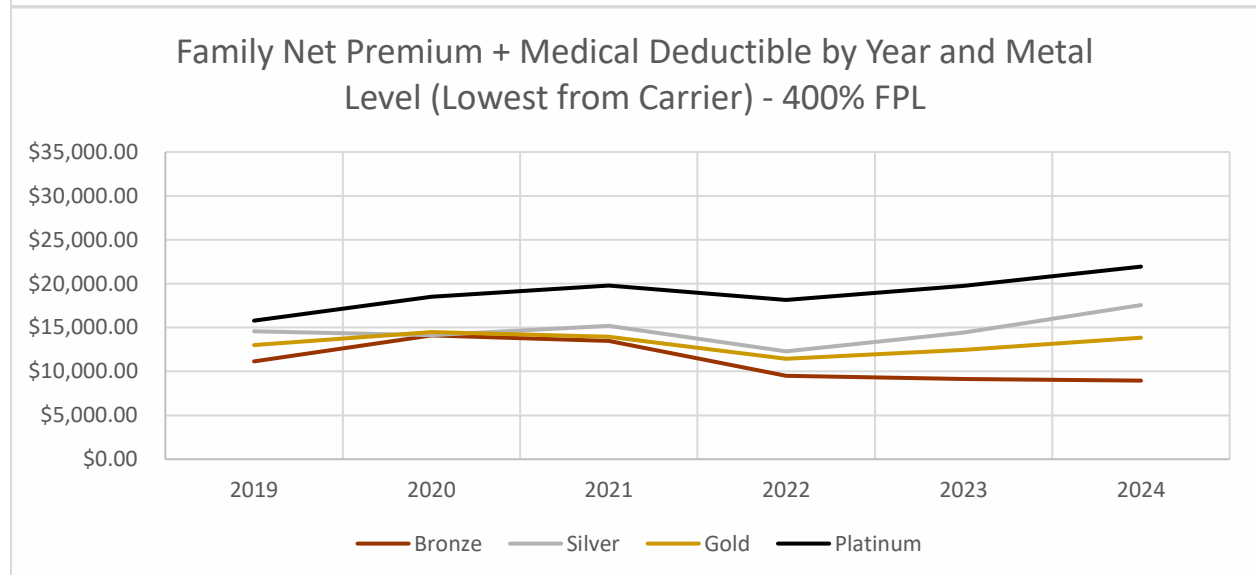
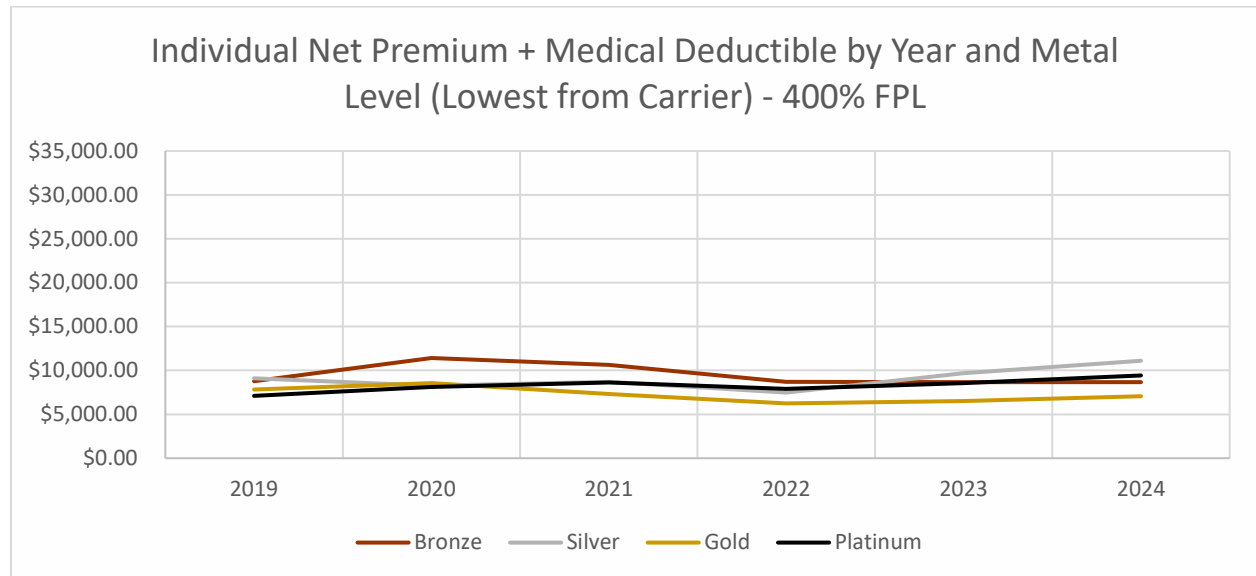
- For an individual and a family of four with household incomes equal to 140%, 200%, 300%, 400%, and 500% of the federal poverty level, the sum of the net premium and medical deductible for the lowest cost plan offered by BCBSVT at each metal level in the individual market from 2019 through 2024 (assuming both carriers' filings are approved as submitted).

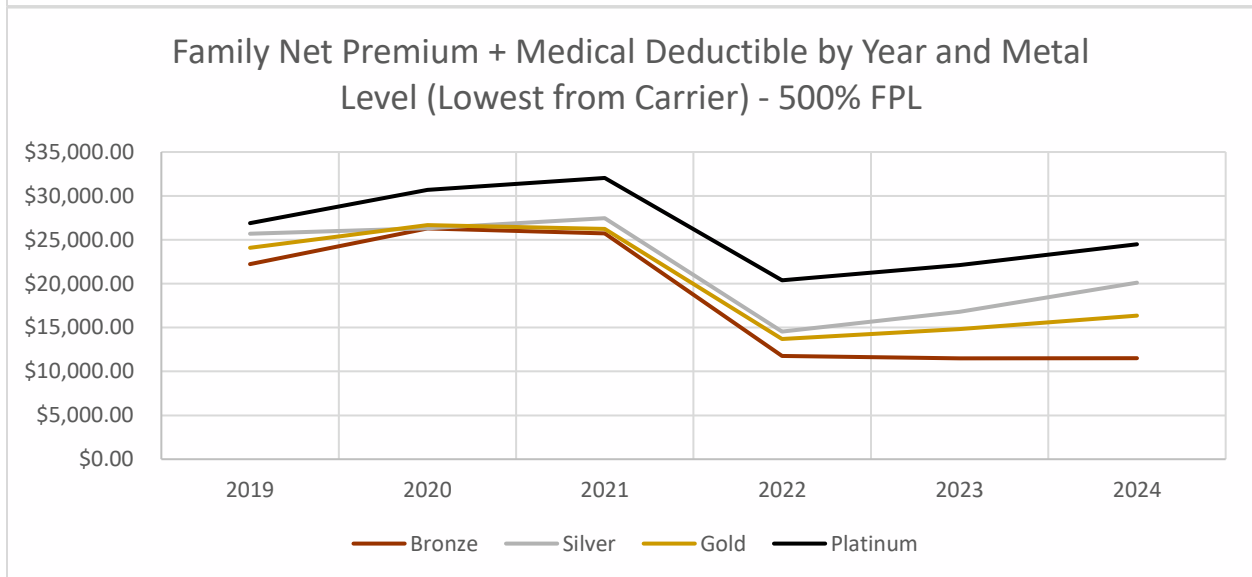
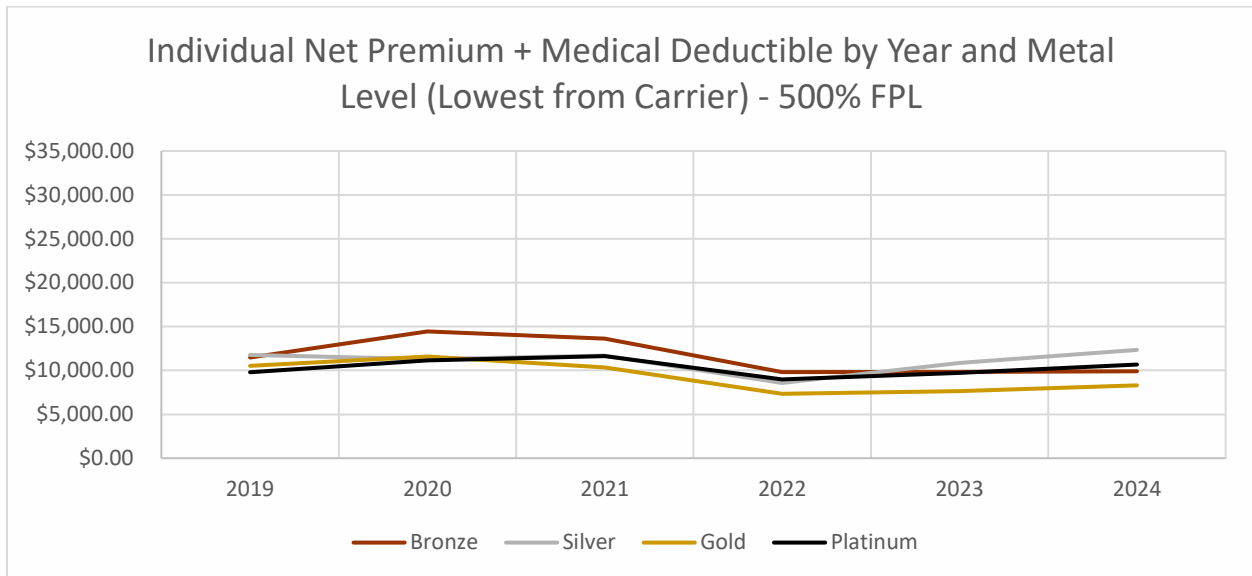
See below. As there are five income levels and two family sizes, there are ten charts showing these values over time for the four metal tiers. Note that in the case of the family of four, we have included the individual deductible.











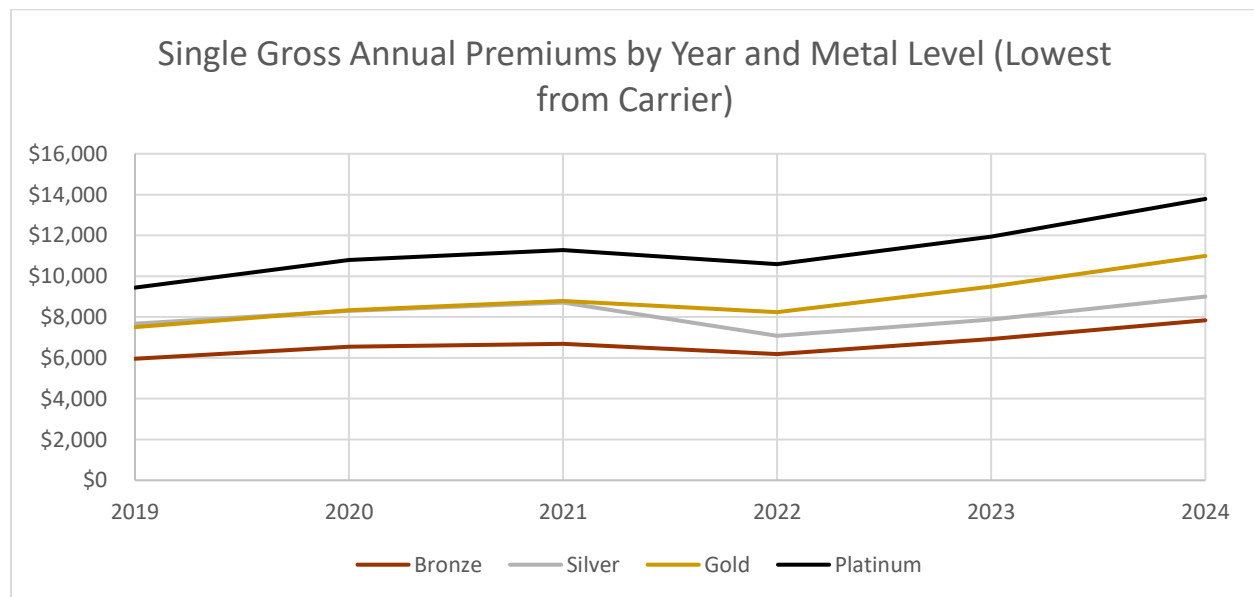
All of these values are reflected in the table below.

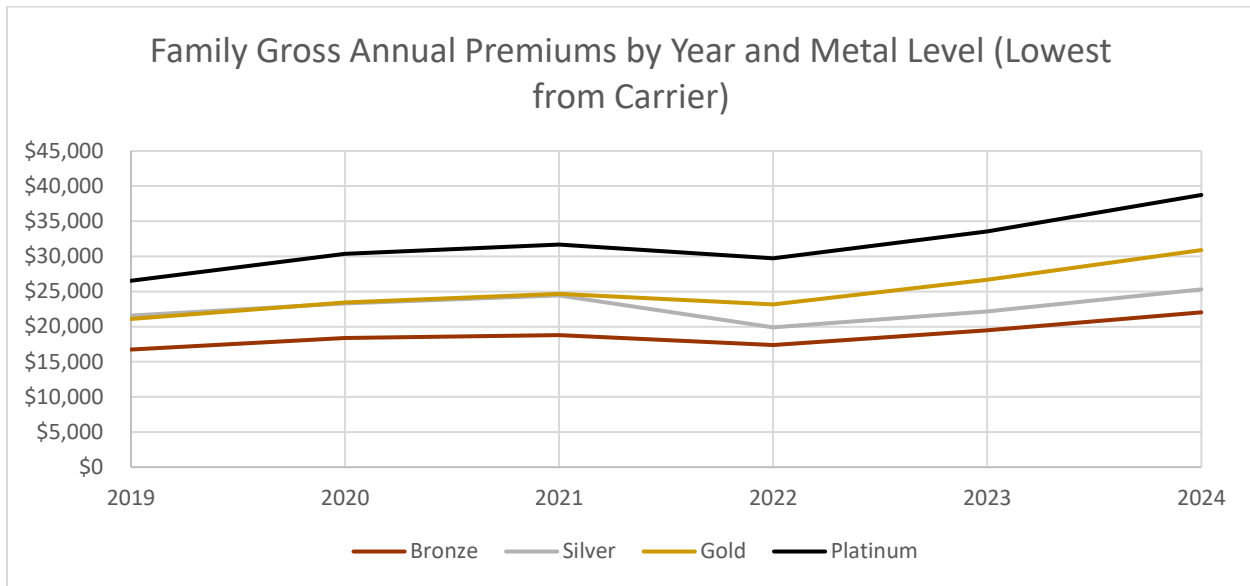
Family Type	Income	Year	Bronze	Silver	Gold	Platinum
Individual	140% FPL	2019	\$5,500	\$1,111	\$3,391	\$2,676
Individual	140% FPL	2020	\$7,900	\$710	\$3,999	\$3,566
Individual	140% FPL	2021	\$6,950	\$1,035	\$2,661	\$3,959
Individual	140% FPL	2022	\$6,450	\$0	\$1,594	\$3,233
Individual	140% FPL	2023	\$6,450	\$550	\$1,600	\$3,661
Individual	140% FPL	2024	\$6,450	\$915	\$1,789	\$4,163
Family	140% FPL	2019	\$5,500	\$1,872	\$3,844	\$6,631
Family	140% FPL	2020	\$7,900	\$1,729	\$5,090	\$9,121
Family	140% FPL	2021	\$6,950	\$2,633	\$4,397	\$10,218
Family	140% FPL	2022	\$6,450	\$0	\$1,877	\$8,565
Family	140% FPL	2023	\$6,450	\$550	\$2,452	\$9,738
Family	140% FPL	2024	\$6,450	\$1,805	\$2,995	\$11,114
Individual	200% FPL	2019	\$5,500	\$2,736	\$4,265	\$3,550
Individual	200% FPL	2020	\$7,900	\$1,809	\$4,899	\$4,465
Individual	200% FPL	2021	\$6,950	\$2,153	\$3,580	\$4,878
Individual	200% FPL	2022	\$6,450	\$428	\$1,993	\$3,633
Individual	200% FPL	2023	\$6,450	\$1,591	\$2,021	\$4,083
Individual	200% FPL	2024	\$6,450	\$2,392	\$2,241	\$4,615
Family	200% FPL	2019	\$5,500	\$4,429	\$5,651	\$8,438
Family	200% FPL	2020	\$7,900	\$3,783	\$6,944	\$10,975
Family	200% FPL	2021	\$6,950	\$4,720	\$6,284	\$12,105
Family	200% FPL	2022	\$6,450	\$743	\$2,698	\$9,387
Family	200% FPL	2023	\$6,450	\$1,653	\$3,312	\$10,599
Family	200% FPL	2024	\$6,450	\$3,760	\$3,925	\$12,044
Individual	300% FPL	2019	\$7,030	\$7,351	\$6,080	\$5,365
Individual	300% FPL	2020	\$9,626	\$6,476	\$6,766	\$6,332
Individual	300% FPL	2021	\$8,791	\$6,861	\$5,487	\$6,786
Individual	300% FPL	2022	\$6,450	\$4,838	\$3,603	\$5,243
Individual	300% FPL	2023	\$6,450	\$6,915	\$3,720	\$5,781
Individual	300% FPL	2024	\$6,450	\$8,114	\$4,064	\$6,437
Family	300% FPL	2019	\$7,546	\$10,981	\$9,403	\$12,190
Family	300% FPL	2020	\$10,414	\$10,433	\$10,794	\$14,825
Family	300% FPL	2021	\$9,710	\$11,437	\$10,201	\$16,022
Family	300% FPL	2022	\$6,450	\$6,856	\$6,011	\$12,699
Family	300% FPL	2023	\$6,450	\$8,746	\$6,781	\$14,067
Family	300% FPL	2024	\$6,450	\$11,410	\$7,675	\$15,794
Individual	400% FPL	2019	\$8,769	\$9,090	\$7,820	\$7,105
Individual	400% FPL	2020	\$11,416	\$8,266	\$8,556	\$8,122
Individual	400% FPL	2021	\$10,619	\$8,690	\$7,316	\$8,614
Individual	400% FPL	2022	\$8,716	\$7,478	\$6,244	\$7,883
Individual	400% FPL	2023	\$8,667	\$9,701	\$6,506	\$8,567
Individual	400% FPL	2024	\$8,669	\$11,103	\$7,052	\$9,426

Family	400% FPL	2019	\$11,143	\$14,578	\$13,000	\$15,787
Family	400% FPL	2020	\$14,104	\$14,123	\$14,484	\$18,515
Family	400% FPL	2021	\$13,464	\$15,191	\$13,955	\$19,776
Family	400% FPL	2022	\$9,521	\$12,288	\$11,443	\$18,132
Family	400% FPL	2023	\$9,131	\$14,435	\$12,469	\$19,756
Family	400% FPL	2024	\$8,954	\$17,560	\$13,825	\$21,944
Individual	500% FPL	2019	\$11,457	\$11,778	\$10,507	\$9,792
Individual	500% FPL	2020	\$14,445	\$11,295	\$11,585	\$11,152
Individual	500% FPL	2021	\$13,635	\$11,705	\$10,331	\$11,630
Individual	500% FPL	2022	\$9,811	\$8,573	\$7,338	\$8,978
Individual	500% FPL	2023	\$9,822	\$10,856	\$7,661	\$9,723
Individual	500% FPL	2024	\$9,908	\$12,342	\$8,292	\$10,666
Family	500% FPL	2019	\$22,238	\$25,674	\$24,096	\$26,883
Family	500% FPL	2020	\$26,292	\$26,310	\$26,672	\$30,702
Family	500% FPL	2021	\$25,734	\$27,461	\$26,225	\$32,046
Family	500% FPL	2022	\$11,774	\$14,541	\$13,696	\$20,384
Family	500% FPL	2023	\$11,490	\$16,794	\$14,828	\$22,115
Family	500% FPL	2024	\$11,504	\$20,110	\$16,375	\$24,494

4. *Changes in the single and family premiums for the lowest cost plan offered by BCBSVT at each metal level in the small group market from 2019 through 2024 (assuming BCBSVT’s premiums are approved as filed).*

See below.





Family Type	Year	Bronze	Silver	Gold	Platinum
Individual	2019	\$5,957	\$7,678	\$7,507	\$9,442
Individual	2020	\$6,545	\$8,295	\$8,335	\$10,802
Individual	2021	\$6,685	\$8,705	\$8,781	\$11,280
Individual	2022	\$6,193	\$7,081	\$8,239	\$10,585
Individual	2023	\$6,930	\$7,887	\$9,497	\$11,935
Individual	2024	\$7,841	\$9,004	\$10,995	\$13,788
Family	2019	\$16,738	\$21,574	\$21,096	\$26,533
Family	2020	\$18,392	\$23,310	\$23,422	\$30,352
Family	2021	\$18,784	\$24,461	\$24,675	\$31,696
Family	2022	\$17,402	\$19,899	\$23,152	\$29,743
Family	2023	\$19,474	\$22,162	\$26,687	\$33,536
Family	2024	\$22,034	\$25,302	\$30,895	\$38,744

Please contact us with any questions regarding this information.

Sincerely,



Kevin Rugeberg, FSA, MAAA
Vice President & Consulting Actuary
Lewis & Ellis, Inc.



Jacqueline B. Lee, FSA, MAAA
Vice President & Principal
Lewis & Ellis, Inc.

ASOP 41 DISCLOSURES

The Actuarial Standards Board (ASB), vested by the U.S.-based actuarial organizations², promulgates Actuarial Standards of Practice (ASOPs) for use by actuaries when providing professional services in the United States.

Each of these organizations requires its members, through its Code of Professional Conduct³, to observe the ASOPs of the ASB when practicing in the United States. ASOP #41 provides guidance to actuaries with respect to actuarial communications and requires certain disclosures which are contained in the following.

IDENTIFICATION OF THE RESPONSIBLE ACTUARIES

The responsible actuaries are:

- Kevin Ruggeberg, FSA, MAAA, Vice President & Senior Consulting Actuary.
- Jacqueline B. Lee, FSA, MAAA, Vice President & Principal.
- Jason Doherty, ASA, MAAA, Consulting Actuary

IDENTIFICATION OF ACTUARIAL DOCUMENTS

The date of this document is July 5, 2023. The date (a.k.a. “latest information date”) through which data or other information has been considered in performing this analysis is July 3, 2023.

DISCLOSURES IN ACTUARIAL REPORTS

- The contents of this report are intended for the use of the Green Mountain Care Board. The authors of this report are aware that it will be distributed to third parties. Any third party with access to this report acknowledges, as a condition of receipt, that they cannot bring suit, claim, or action against L&E, under any theory of law, related in any way to this material.
- Lewis & Ellis is financially and organizationally independent from BCBSVT. L&E is not aware of anything that would impair or seem to impair the objectivity of the work.
- The purpose of this report is to assist the Board in assessing whether to approve, modify, or disapprove the rate filing.
- The responsible actuaries identified above are qualified as specified in the Qualification Standards of the American Academy of Actuaries.
- Lewis & Ellis has reviewed the data provided by BCBSVT for reasonableness; however, not every aspect of the data has been audited. Neither L&E, nor the responsible actuaries, assume responsibility for the items that may have a material impact on the analysis. To the extent that there are material inaccuracies in, misrepresentations in, or lack of adequate disclosure by the data, the results may be accordingly affected.

² The American Academy of Actuaries (Academy), the American Society of Pension Professionals and Actuaries, the Casualty Actuarial Society, the Conference of Consulting Actuaries, and the Society of Actuaries.

³ These organizations adopted identical *Codes of Professional Conduct* effective January 1, 2001.

- Notwithstanding the ongoing COVID-19 pandemic, L&E is not aware of any subsequent events that may have a material effect on the findings.
- There are no other documents or files that accompany this report.

ACTUARIAL FINDINGS

The actuarial findings of the report can be found in the body of this report.

METHODS, PROCEDURES, ASSUMPTIONS, AND DATA

The methods, procedures, assumptions, and data used by the actuaries can be found in body of this report.

ASSUMPTIONS OR METHODS PRESCRIBED BY LAW

This report was prepared as prescribed by applicable law, statues, regulations, and other legally binding authority.

RESPONSIBILITY FOR ASSUMPTIONS AND METHODS

The actuaries do not disclaim responsibility for material assumptions or methods.

DEVIATION FROM THE GUIDANCE OF AN ASOP

The actuaries have not deviated materially from the guidance set forth in the applicable ASOPs.